

104TH CONGRESS  
2D SESSION

# H. R. 2881

To amend title 49, United States Code, to permit States to impose fees to finance programs for providing air service to small communities.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 25, 1996

Mr. BARRETT of Nebraska introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

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## A BILL

To amend title 49, United States Code, to permit States to impose fees to finance programs for providing air service to small communities.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Small Community Air  
5       Service Act of 1996”.

6       **SEC. 2. SMALL COMMUNITY AIR SERVICE FEES.**

7       (a) IN GENERAL.—Chapter 401 of title 49, United  
8       States Code, is amended by adding at the end the follow-  
9       ing:

1 **“§ 40121. Small community air service fees**

2       “(a) IN GENERAL.—The Secretary of Transportation  
3 may authorize under this section a State to impose a small  
4 community air service fee of \$1, \$2, or \$3 on each paying  
5 passenger of an air carrier or foreign air carrier boarding  
6 an aircraft at an airport in the State to finance a small  
7 community air service program of the State.

8       “(b) APPLICATIONS.—

9               “(1) IN GENERAL.—A State must submit to the  
10 Secretary an application for authority to impose a  
11 small community air service fee. The application  
12 shall contain such information and be in such form  
13 as the Secretary may require by regulation.

14               “(2) NOTICE AND COMMENT.—After receiving  
15 an application, the Secretary shall provide notice  
16 and an opportunity to air carriers, foreign air car-  
17 riers, and other interested persons to comment on  
18 the application. The Secretary shall make a final de-  
19 cision on the application not later than 120 days  
20 after receiving it.

21       “(c) LIMITATIONS ON APPROVING APPLICATIONS.—  
22 The Secretary may approve an application that a State  
23 has submitted under subsection (b) only if the Secretary  
24 finds, based on the application, that—

1 “(1) the small community air service program  
2 of the State meets the requirements of this section;  
3 and

4 “(2) the amount of the proposed small commu-  
5 nity air service fee will result in revenue (including  
6 interest and other returns on the revenue) that is  
7 not more than the amount necessary to finance the  
8 small community air service program.

9 “(d) LIMITATIONS ON IMPOSING FEES.—

10 “(1) TERMS TO BE PRESCRIBED BY THE SEC-  
11 RETARY.—A State may impose a small community  
12 air service fee only—

13 “(A) if the Secretary approves an applica-  
14 tion that the State has submitted under sub-  
15 section (b); and

16 “(B) subject to terms the Secretary may  
17 prescribe to carry out the objectives of this sec-  
18 tion.

19 “(2) SPECIFIC LIMITATIONS.—A small commu-  
20 nity air service fee may not be collected from a pas-  
21 senger—

22 “(A) for more than 2 boardings on a one-  
23 way trip or a trip in each direction of a round  
24 trip; or

1           “(B) enplaning at an airport if the pas-  
2           senger did not pay for the air transportation  
3           which resulted in such enplanement, including  
4           any case in which the passenger obtained the  
5           ticket for the air transportation with a frequent  
6           flier award coupon without monetary payment.

7           “(e) REQUIREMENTS FOR SMALL COMMUNITY AIR  
8 SERVICE PROGRAM.—

9           “(1) IN GENERAL.—A small community air  
10          service program shall be designed to provide com-  
11          pensation to air carriers for providing air service to  
12          places that would not receive air service without  
13          such compensation. Such compensation may be used  
14          to supplement compensation made available under  
15          subchapter II of chapter 417 of this title.

16          “(2) ELIGIBLE PLACES.—Decisions concerning  
17          individual places eligible for compensation under the  
18          small community air service program of a State and  
19          the level of air service provided to such places shall  
20          be made by the State and shall not be subject to re-  
21          view by the Secretary.

22          “(f) DEFINITIONS.—For the purposes of this section,  
23 the following definitions apply:

24          “(1) AIRPORT.—The term ‘airport’ has the  
25          same meaning given such term by section 47102.

1           “(2) SMALL COMMUNITY AIR SERVICE FEE.—

2           The term ‘small community air service fee’ means a  
3           fee imposed under this section.”.

4           (b) AMENDMENT TO TABLE OF SECTIONS.—The  
5           table of sections at the beginning of chapter 401 of such  
6           title is amended by adding at the end the following new  
7           item:

          “40121. Small community air service fees.”.

8           (c) CONFORMING AMENDMENT.—Section 40116(b)  
9           of title 49, United States Code, is amended by striking  
10          “and section 40117” and inserting “, section 40117, and  
11          section 40121”.

12       **SEC. 3. EFFECTIVE DATE.**

13          This Act and the amendments made by this Act shall  
14          take effect on the first day of the first fiscal year begin-  
15          ning after the date of the enactment of this Act.

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